

STATES OF JERSEY



OUR HOSPITAL – BUDGET, FINANCING AND LAND ASSEMBLY (P.80/2021): AMENDMENT

Lodged au Greffe on 13th August 2021
by the Connétable of St Helier

STATES GREFFE

OUR HOSPITAL – BUDGET, FINANCING AND LAND ASSEMBLY (P.80/2021):
AMENDMENT

1 PAGE 3, PARAGRAPH (e) –

In sub-paragraph (e)(i), after the words “to the site”, for the words “as identified” substitute the words “as identified as the permanent site area” and after the words “Appendix 1” insert the words “, and the acquisition of new rights identified as Compulsory Purchase Rights of Access on Plan 3 Appendix 1”

2 PAGE 3, PARAGRAPH (e) –

In sub-paragraph (e)(iii), before the words, “to empower”, insert the words, “subject to implementation of the Act of the States dated 1st February 2021, which approved the preferred primary access option for a new hospital at Overdale, including the following decisions –

- (a) the minimising of any reduction in the green space and tree planting in People’s Park and Westmount Road and their environs, and any other Parish land impacted by highway improvements in relation to the new hospital project, and the replacement of any green areas that are lost and any lost trees in consultation with the Parish of St. Helier and Jersey Trees for Life;
- (b) the relocation and replacement of any existing community facilities that are impacted by the development of the new hospital access roads, in agreement with the Parish of St. Helier; and
- (c) the replacement of any parking facilities that are lost due to the development of the new hospital access roads at a location to be agreed with the Parish of St. Helier

3 PAGE 3, PARAGRAPH (e) –

In sub-paragraph (e)(iii), after the words, “provisions of the Compulsory Purchase of Land (Procedure) (Jersey) Law 1961”, insert the words: “, not to be executed until the successful determination of the Planning Application for the new hospital and access road” and re-designate subparagraphs accordingly.

CONNÉTABLE OF ST HELIER

Note: After this amendment, the proposition would read as follows –

THE STATES are asked to decide whether they are of opinion –

to refer to their Act dated 23rd October 2012, which requested the Council of Ministers to bring forward proposals for a new hospital, their Act dated 17th November 2020, which approved Overdale as the preferred site for a new hospital for Jersey and which approved the use of Compulsory Purchase of property identified in Appendix 1 of P.129/2020, if required, and their Act dated

1st February 2021, which approved Westmount Road as a two-way roadway with areas for active modes of travel, such as walking and cycling, as the preferred primary access option for a new hospital at Overdale and to agree –

- (a) a maximum expenditure cap for Our Hospital, to project completion, of £804.5 million, that cannot be exceeded without further approval from the States Assembly;
- (b) that the remaining costs of Our Hospital, to project completion, should be funded through borrowing (external financing) up to and including a maximum of £756 million allowing for the reimbursement of £12.7 million to those capital schemes that provided funding to Our Hospital in 2021;
- (c) that the Strategic Reserve Fund policy be amended so as to allow the Fund to be used to support the delivery of Our Hospital, and to further agree that –
 - (i) the borrowing (external financing) obtained for Our Hospital, referred to in paragraph (b) above, will be paid into the Strategic Reserve Fund;
 - (ii) transfers will be made from the Strategic Reserve Fund to the Consolidated Fund, as and when required and permitted, up to and including £756 million to meet the cashflows required to deliver the Project, including reimbursement of funding to those capital schemes that provided funding in 2021; and
 - (iii) all costs related to the borrowing (external financing) to meet debt financing costs, issuance costs, debt repayments, management and administration costs will be met from the Strategic Reserve Fund with a transfer made to the Consolidated Fund, as and when required and permitted (with the intent that sufficient returns are generated to meet the debt obligations and associated costs as they fall due).
- (d) in accordance with the terms of the Public Finances (Jersey) Law 2019 (the Law) to approve the following amendments to the Government Plan 2021- 2024 (the Government Plan) –
 - (i) to increase the overall cost of the Major Project defined as Our Hospital to £804.5 million and to agree to the amendment of the figure shown for this project in Table 4 – Major Projects of Appendix 2 of the Government Plan as set out in Appendix 3 of the Report accompanying the proposition;
 - (ii) to increase the 2021 head of expenditure, being the amount which may be spent on this project in 2021, to £70 million, included in Table 5(ii) – Capital Heads of Expenditure of Appendix 2 of the Government Plan;
 - (iii) to increase the level of external borrowing (financing) required by £756 million for 2021, which may be obtained by the Minister for Treasury and Resources as and when required, to enable the delivery of Our Hospital and to amend Table 3 – Proposed borrowing of Appendix 2 of the Government Plan;

- (iv) to authorise the transfer of £21 million from the Strategic Reserve Fund into the Consolidated Fund in 2021, to meet the additional cash flow funding requirements of Our Hospital over and above amounts previously approved in the Government Plan for 2021 and transfers approved by the Minister for Treasury and Resources;
 - (v) to agree that up to a further £2 million be transferred from the Strategic Reserve Fund in 2021 and into the Consolidated Fund and a new Head of Expenditure – Debt Management be established for up to £2 million to cover costs relating to the issuance, management and administration of the borrowing required for Our Hospital;
- (e) in accordance with the Compulsory Purchase of Land (Procedure) (Jersey) Law 1961 –
- (i) to approve the acquisition by the Public of the land and properties required to deliver the Our Hospital project at Overdale, including, where appropriate, land or property to accommodate the hospital buildings and their reasonable curtilage and any other properties to facilitate access to the site as identified as the permanent site area on Plan 4 in Appendix 1, and the acquisition of new rights identified as Compulsory Purchase Rights of Access on Plan 3 Appendix 1;
 - (ii) to negotiate with the owners for the purchase of the said land and properties at a fair and proper price to be agreed by the Minister for Infrastructure;
 - (iii) subject to implementation of the Act of the States dated 1st February 2021, which approved the preferred primary access option for a new hospital at Overdale, including the following decisions –
 - a. the minimising of any reduction in the green space and tree planting in People’s Park and Westmount Road and their environs, and any other Parish land impacted by highway improvements in relation to the new hospital project, and the replacement of any green areas that are lost and any lost trees in consultation with the Parish of St. Helier and Jersey Trees for Life;
 - b. the relocation and replacement of any existing community facilities that are impacted by the development of the new hospital access roads, in agreement with the Parish of St. Helier; and
 - c. the replacement of any parking facilities that are lost due to the development of the new hospital access roads at a location to be agreed with the Parish of St. Helier,

to empower the Minister for Environment, in exercise of the powers conferred by Article 119 of the Planning and Building (Jersey) Law 2002, to acquire the land and any interest therein, including the acquisition of a servitude or other right over land by the creation of a new servitude or right, or to extinguish or modify a servitude or other right over land, by compulsory purchase on behalf of the Public in

accordance with the provisions of the Compulsory Purchase of Land (Procedure) (Jersey) Law 1961, not to be executed until the successful determination of the Planning Application for the new hospital and access road;

- (iv) to provide funds to meet the expenses of up to a maximum of £36 million included within the budget sums included in paragraphs (a) and (b) above for the acquisition of the land and properties and any interest therein as referred to in sub-paragraph (i) of paragraph (e) in accordance with Article 3(b) of the Compulsory Purchase of Land (Procedure) (Jersey) Law 1961, and, in accordance with the Public Finances (Jersey) Law 2019 (“the Public Finances Law”), to authorise the payment or discharge of the expenses incurred in connection with the acquisition of the land and any other interests therein referred to in sub-paragraph (i) of paragraph (e), and of the payment of all legal expenses;
- (v) to authorise H.M. Attorney General and the Greffier of the States on behalf of the Public to pass any necessary contracts in connection with the acquisition and subsequent sale of the site and adjoining land.

REPORT

On 1st February this year the States voted by 34 votes to 11, to approve the use of Westmount Road, St. Helier, as the main access to the new hospital; however, my amendment to P.167/2020 as amended was approved which requires the Government to minimise the impact on the environment, and to replace any of the Parish's greenspace, trees, community facilities or parking spaces affected by the new access roads to Overdale. While discussions and negotiations have been ongoing, especially in relation to the significant challenge involved in replacing the Jersey Bowling Club, at the time of the lodging of P.80/2021 these decisions by the States Assembly have not been implemented. The Draft Bridging Island Plan also identifies that the relocation of Jersey Bowling Club is required before the development of the hospital site and access road can take place. Amendment 2 simply restates the position: the new hospital project cannot go ahead unless and until these issues, however inconsequential they may appear to some, have been resolved satisfactorily.

In response to a States question I asked of the Minister of the Environment on 19th July this year, it was confirmed by Deputy Young that if compulsory purchase powers are necessary to obtain the land and property deemed necessary for the new hospital project such a decision would not be taken by the Minister unless planning permission had been obtained for the project; while this commitment is stated in the Report to P.80/2021 (14.19) I am seeking to include it in the proposition in Amendment 3.

P.80/2021 seeks to empower the Minister for Environment to use compulsory purchase powers to both acquire land and acquire new rights to land, both temporarily for construction and longer term for servicing and maintenance (paragraph 14.20). Amendment 1 seeks to make explicit the difference between any land that may be subject to acquisition by compulsory purchase and any land that is subject to new rights that may be acquired by the compulsory purchase process. If the compulsory purchase process is used to acquire temporary rights for construction or longer-term rights for servicing, use and maintenance, it is expected that the land will be returned to as close to its current state or better as soon as practicable; however, it is not considered necessary to frame the requirement for restitution in these amendments.

Financial and manpower implications

It is impossible to know what the cost of implementing these amendments will be but it is understood that the budget for the new hospital will meet it. Staff resources will be met from existing resources of the Property Holdings Department.

Re-issue Note

This amendment has been re-issued to fix a subparagraph lettering error.
